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EXAMINER

THOMPSON JR, FOREST

ART UNIT

PAPER NUMBER

3625

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Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/666,559

Applicant(s)

HARRINGTON ET AL.

Examiner

Forest O. Thompson Jr.

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 06 February 2001.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 65-250 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 65-250 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☒ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 5-9.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

**DETAILED ACTION**

1. Claims 65-250 have been examined.

***Claim Rejections - 35 USC § 112***

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claims 119, 181, and 243 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claim 119 states "The process of claim 65 wherein the financial instrument has an issued, and ..." Examiner cannot determine applicant's intended claim language or intent from this disclosure. Words seem to be missing from the disclosure after the word "issued." Correction is required.

***Claim Rejections - 35 USC § 102***

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) do not apply to the examination of this application as the application being examined was not (1) filed on or after November 29, 2000, or (2) voluntarily

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published under 35 U.S.C. 122(b). Therefore, this application is examined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

5. Claims 65-73, 75-84, 86, 89, 91-92, 94, 97, 100-101, 104, 110-112, 115-118, 127-135, 137-146, 148, 151, 153-154, 156, 159, 162-163, 166, 172-174, 177-181, 189-197, 199-208, 210, 213, 215-216, 218, 221, 224-225, 228, and 239-243 are rejected under 35 U.S.C. 102(e) as being anticipated by Ausubel (U.S. Patent No. 5,905,975).

Claims 65, 127, 189: Ausubel discloses:

(a) operating an auctioning computer arrangement that communicates electronically over the Internet with a plurality of bidding devices capable of displaying pages in a markup language (col. 2 line 66 – col. 3 line 30);

(b) providing display pages in the markup language regarding the financial instrument to said bidding devices over the Internet (col. 2 line 66 – col. 3 line 30);

(c) receiving, over the Internet during a real-time auction, bids relating to at least a portion of the financial instrument, said received bids being electronically submitted by different bidders via said bidding devices (col. 2 line 66 – col. 3 line 30; col. 7 line 41 – col. 8 line 31);

(d) providing information pertaining to the current best bids over the Internet substantially in real time during said real-time auction (col. 2 line 66 – col. 3 line 30; col. 31 lines 58-62);

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(e) providing the ability to receive further bids from said bidding devices to allow bidders to improve their bids during said real-time auction (fig. 9 [821, 822, 823, 824]; col. 27 lines 15-32; and

(f) at or after the conclusion of the real-time auction, identifying at least one of said submitted bids as a winning bid (fig. 9 [821-825]; col. 31 lines 58-62; col. 22 lines 31-63).

Claims 66, 128, 190: Ausubel discloses ranking said submitted bids during the real-time auction (fig. 3D [T]).

Claims 67, 129, 191: Ausubel discloses allowing bidders to improve their bids in response to the provided information pertaining to the current best bids by receiving and processing such improved bids in real time during said auctioning (col. 27 lines 15-32).

Claims 68, 130, 192: Ausubel discloses receiving at least some bids relating to less than all of the financial instrument (col. 2 lines 37-50).

Claims 69, 131, 193: Ausubel discloses receiving at least some bids relating to the entirety of the financial instrument (col. 2 lines 37-50).

Claims 70, 132, 194: Ausubel discloses a municipal bond (col. 7 lines 19-35).

Claims 71, 133, 195: Ausubel discloses performing an interest cost calculation (col. 13 lines 9-49).

Claims 72, 134, 196: Ausubel discloses verifying that each received bid is in conformance with predetermined bid parameters before accepting said bid (col. 3 lines 31-67; col. 6 lines 50-63).

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Claims 73, 135, 197: Ausubel discloses providing information to a bidder in the event a bid submitted by said bidder is non-conforming (col. 3 lines 31-67; col. 6 lines 50-63).

Claims 75, 137, 199: Ausubel discloses emailing information after the close of auctioning about the bids accepted during the auctioning (col. 3 lines 60-62).

Claims 76, 138, 200: Ausubel discloses providing at least one bidder with a web-based electronic bid calculation sheet that allows said bidder to prepare proposed bids for electronic submission (col. 1 lines 65-67; col. 2 lines 1-11; col. 6 lines 50-67; col. 7 lines 1-11), through the functionality of entering current and future bids through the use of bidding rules established by the bidder and stored in the bidder's database for use by the auctioneer is equivalent to a bidder's electronic bid calculation sheet.

Claims 77, 139, 201: Ausubel discloses simultaneously displaying on said electronic bid calculation sheet the bidder's last submitted bid together with proposed new bid information (col. 1 lines 65-67; col. 2 lines 1-11; col. 6 lines 50-67; col. 7 lines 1-11).

Claims 78, 140, 202: Ausubel discloses the financial instrument includes plural individual portions, and said bid receiving step (c) includes providing the bidder with the option of submitting a bid on either the entirety of the financial instrument or on individual portions of the financial instrument (col. 2 lines 30-50).

Claims 79, 141, 203: Ausubel discloses requesting a confirmation over the Internet before accepting a bid (col. 8 line 58 – col. 9 line 13).

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Claims 80, 142, 204: Ausubel discloses conditioning acceptance of a bid on receipt of an electronic acknowledgement that the bidder has reviewed at least certain of said information sent to said bidder over the Internet (col. 8 line 58 – col. 9 line 13).

Claims 81, 143, 205: Ausubel discloses the financial instrument includes plural maturities, and the process additionally comprises the step of indicating, during the auctioning, which maturities have not yet been bid upon (fig. 3D [T]; col. 12 line 39 – col. 13 line 5).

Claims 82, 144, 206: Ausubel discloses electronically providing information to a bidder in the event a bid submitted by said bidder is nonconforming (col. 11 line 15 – col. 12 line 19).

Claims 83, 145, 207: Ausubel discloses the plural bidders are distributed in different physical locations around the world (col. 7 lines 52-65), through the functionality of providing connectivity through the World Wide Web and/or Internet that provides access to users world wide.

Claims 84, 146, 208: Ausubel discloses said bids are electronically submitted in a form that avoids the need to transcribe the bids into a computer spreadsheet or other program that computes which bid is the best one (fig. 3D [T]), as inferred by the table T in the figure.

Claims 86, 148, 210: Ausubel discloses providing a substantially instant electronic alert to a bidder submitting a bid indicating to the bidder that a bid does not conform to predetermined criteria (col. 28 line 62 – col. 29 line 61).

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Claims 89, 151, 213: Ausubel discloses downloading, from said auctioning computer arrangement to said bidding devices, at least one computational tool for use in submitting bids (col. 29 line 62 – col. 30 line 54).

Claims 91, 153, 215: Ausubel discloses performing computations at said auctioning computer arrangement for evaluating bids in real time (col. 29 line 62 – col. 30 line 54).

Claims 92, 154, 216: Ausubel discloses said auctioning computer arrangement provides sufficient speed efficiencies in processing bids to allow bidders who fail to lead, or maintain leadership of, the bidding to electronically improve their bid before auctioning is completed (col. 27 lines 15-32).

Claims 94, 156, 218: Ausubel discloses receiving electronic bids prepared without requiring use of any bid calculator other than provided by the auctioning computer arrangement in an integrated manner (col. 1 line 60 – col. 2 line 29).

Claims 97, 159, 221: Ausubel discloses automatically sending electronic confirmation of winning bids (col. 8 line 58 – col. 9 line 13).

Claims 100, 162, 224: Ausubel discloses receiving electronic bids from web browsing software via the Internet (col. 8 line 58 – col. 9 line 13).

Claims 101, 163, 225: Ausubel discloses accepting bids for multiple real-time auctions progressing simultaneously (col. 13 lines 9-50).

Claims 104, 166, 228: Ausubel discloses electronically logging all bids received during auctioning (col. 2 line 51-53).



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Claims 110, 172, 234: Ausubel discloses displaying the identity of the bidders) to other bidders during the auctioning (col. 66 lines 38-63).

Claims 111, 173, 235: Ausubel discloses concealing the identity of the bidder(s) from other bidders during the auctioning (col. 6 lines 38-63).

Claims 112, 174, 236: Ausubel discloses facilitating, with said auctioning computer arrangement, preparation of tentative bids for review and modification before submission (col. 8 lines 20-37).

Claims 115, 177, 239: Ausubel discloses, at the close of the auctioning, the auctioning computer arrangement electronically notifies each of the bidders over the Internet of the winning bid (col. 32 lines 51-60).

Claims 116, 178, 240: Ausubel discloses the auctioning computer arrangement electronically maintains a bid history for analyzing the time and amount of each submitted bid (col. 6 lines 38-49).

Claims 117, 179, 241: Ausubel discloses said auctioning computer arrangement maintains and supplies bid histories to bidders over the Internet (col. 6 lines 38-49).

Claims 118, 180, 242: Ausubel discloses the auctioning computer arrangement electronically maintains a history of requests submitted to the auctioning computer arrangement (col. 6 lines 38-49).

Claims 126, 188, 250: Ausubel discloses formulating a bid at one of said bidding devices using only conventional web browsing software (col. 2 line 67 – col. 3 line 30; col. 7 line 52 – col. 8 line 17).

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***Claim Rejections - 35 USC § 103***

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

8. Claims 74, 85, 87-88, 96, 99, 102-103, 105, 107-109, 124-125, 136, 147, 149-150, 158, 161, 164-165, 167, 169-171, 186, 187, 198, 209, 211-212, 220, 223, 226-227, 229, 231-233, 248, and 249 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ausubel (U.S. Patent No. 5,905,975) and Official Notice.

Claims 74, 136, 198: Ausubel does not specifically disclose screening each bidder before accepting a bid from that bidder. However, Official Notice is taken that restricting access to on-line computer resources and programs was old and well known in the art

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at the time the invention was made. On the Internet, on-line services and businesses typically require users to register and provide personal information to the system for screening purposes and to receive access control information necessary to interact with the on-line services and businesses. Encompassed in this requirement is the provision of unique identifiers for each user, as well as payment information for services provided. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the invention of Ausubel to disclose screening each bidder before accepting a bid from that bidder, as disclosed by old and well known art, for the motivation of providing a system and process for competitively auctioning financial instruments.

Claims 85, 147, 209: Ausubel does not specifically disclose said bids are electronically submitted in a form that avoids the need to resize principal amounts after determining a winning bid. Ausubel does disclose said bids are electronically submitted. Additionally, Official Notice is taken that it would have been obvious to one skilled in the art at the time the invention was made to provide a system that said bids are electronically submitted in a form that avoids the need to resize principal amounts after determining a winning bid. On-line services typically specify form and substance of inputs by bidders (i.e., buyers, purchasers, users) by, for example, providing guidance and rules for the use of the system. Such rules and guidance specify the on-line service provider's requirements for conducting a transaction that support the necessary processing functions performed by the on-line service provider. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to

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modify the invention of Ausubel to specifically disclose said bids are electronically submitted in a form that avoids the need to resize principal amounts after determining a winning bid, for the motivation of providing a system and process for competitively auctioning financial instruments.

Claims 87, 88, 149, 150, 211, 212: Ausubel does not specifically disclose said predetermined criteria includes requiring the bid to not exceed issuer's premium or discount limitations, nor said predetermined criteria includes requiring interest rate coupons that are multiples of a preset percentage. However, Official Notice is taken that it was old and well known in the art at the time the invention was made that predetermined criteria could include any requirement that provides user satisfaction and profitability and satisfies system requirements. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to disclose said predetermined criteria includes requiring the bid to not exceed issuer's premium or discount limitations, and said predetermined criteria includes requiring interest rate coupons that are multiples of a preset percentage, as disclosed by old and well known art, for the motivation of providing a system and process for competitively auctioning financial instruments.

Claims 96, 158, 220: Ausubel does not specifically disclose automatically sending electronic confirmation of bidder auction admission. However, Official Notice is taken that automatically notifying participants that that are admitted to or allowed to participate in an auction or other business activity was old and well known in the art at the time the invention was made. This expedites their participation in the activity and reduces the

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workload on businesses and on-line services once the registration requirement is satisfied. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to disclose automatically sending electronic confirmation of bidder auction admission, for the motivation of providing a system and process for competitively auctioning financial instruments.

Claims 99, 161, 223: Ausubel does not specifically disclose providing an on-line location where documentation concerning financial instruments can be viewed by bidders and amended by issuers. However, Official Notice is taken that on-line services typically provide documentation on-line for the use of potential customers that informs the customers of the products (e.g., financial instruments) that are available and any data that may help customers to make choices and decisions. Such documentation is normally provided or updated by issuers or on-line service providers as necessary to annotate current status, availability and characteristics of products or conditions for purchase. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to disclose providing an on-line location where documentation concerning financial instruments can be viewed by bidders and amended by issuers, as disclosed by old and well known art, for the motivation of providing a system and process for competitively auctioning financial instruments.

Claims 102-103, 105, 164-165, 167, 226-227, 229: Ausubel does not specifically disclose the auctioning computer arrangement includes a web server, using electronic signatures to authenticate bidders, nor denying bidders access to auctioning unless

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bidders answer affirmatively to a query that they have read and agree to particular terms associated with the financial instrument and/or the auction. However, Official Notice is taken that it was old and well known in the art at the time the invention was made that web servers are often part of an on-line service provider's or merchant's system that require users to provide electronic signatures to gain access to the merchant's or on-line service provider's systems. These requirements provide characteristics to the system for efficient operation and security. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to disclose the auctioning computer arrangement includes a web server, using electronic signatures to authenticate bidders, and denying bidders access to auctioning unless bidders answer affirmatively to a query that they have read and agree to particular terms associated with the financial instrument and/or the auction, for the motivation of providing a system and process for competitively auctioning financial instruments.

Claims 107-109, 169-171, 231-233: Ausubel discloses enabling bidders to recalculate and refresh display of at least one parameter of their bids before formal bid submission (col. 8 lines 21-37). Ausubel does not specifically disclose said parameter comprises calculated yield, nor said parameter comprises bid price. However, Official Notice is taken that it was old and well known in the art at the time the invention was made for bidders to consider the expected or calculated yields and/or bid prices for items annotated in their bids up until the time of their submission. Bidders typically are concerned with costs and profit for these items as determined by their goals in

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submitting the bids, and adjust their bids to better achieve their goals. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to disclose enabling bidders to recalculate and refresh display of at least one parameter of their bids before formal bid submission, as disclosed by old and well known art, for the motivation of providing a system and process for competitively auctioning financial instruments.

Claims 124, 186, 248: Ausubel does not specifically disclose downloading bid-submission Java applets from the auctioning computer arrangement to the bidding devices over the Internet. However, Official Notice is taken that it was old and well known in the art at the time the invention was made that Java applets could provide desirable functionality to users and could be downloaded over a network. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to specifically disclose downloading bid-submission Java applets from the auctioning computer arrangement to the bidding devices over the Internet, as disclosed by old and well known art, for the motivation of providing a system and process for competitively auctioning financial instruments that communicates over networks

Claims 125, 187, 249: Ausubel does not specifically disclose said receiving step includes accepting bids only from bidders presenting preassigned identifying information. However, Official Notice is taken that it was old and well known in the art at the time the invention was made that some on-line service providers require users to register with personal and payment information before allowing the users to access the

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on-line service. This method provides some assurance that the bidders are legitimate bidders which helps to economize system resources for serious bidders that have established a relationship with the on-line service, and promotes profitability. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to disclose said receiving step includes accepting bids only from bidders presenting preassigned identifying information, as disclosed by old and well known art, for the motivation of providing a system and process for competitively auctioning financial instruments.

9. Claims 93, 106, 113-114, 120-123, 155, 168, 175-176, 182-185, 217, 230, 237-238, and 244-247 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ausubel (U.S. Patent No. 5,905,975) as applied to claims 65, 127 and 189 above, and further in view of Ausubel (U.S. Patent No. 6,026,383) (hereafter referred to as Ausubel2).

Claims 93, 155, 217: Ausubel discloses said auctioning computer arrangement comprises an integrated system running on a single server (col. 3 lines 31-36), in the functionality in the disclosure of In respect of another aspect, the invention comprises a dynamic flexible computer-implemented auction method implemented in an auction system comprising at least two intelligent systems including an auctioneer's and at least one user system, the auctioneer's system communicatively coupled to all the user systems (col. 3 lines 31-36). Ausubel does not specifically disclose a server.



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Additionally, Ausubel2 discloses *In another embodiment, bid entry terminals 120a-n are "dumb" terminals and bidding information processor 110 is a central computer system, such as, for example, a multi-user personal computer, mini-computer or mainframe computer* (col. 5 lines 52-57), which discloses the functionality of a server. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to specifically disclose said auctioning computer arrangement comprises an integrated system running on a single server, as disclosed by the combination of Ausubel and Ausubel2, for the motivation of providing a system and process for competitively auctioning financial instruments over a network.

Claims 106, 168, 230: Ausubel discloses Typically, an auction begins with a message transmitted from the auctioneer's system 10 to each user system 20, 30, etc. The user system allows (if needed--as will become clear below) the entry of flexible bid information to the database process 60. After the passage of sufficient time, allowing each of the user systems to enter whatever flexible bid information is necessary, the auctioneer's system 10 sends one or more queries to the database process for a particular user (col. 8 lines 58-66). Ausubel does not specifically disclose said auctioning computer arrangement maintains an official auction clock that keeps bidders electronically informed of timing remaining before auctioning ends. Ausubel2 does disclose, at col. 6 lines 47-55, *The auction announcements and messages include other information which is provided to bidders. For example, this may or may not include each of the following:*

1. *Whether the auction is still open, or whether it has concluded;*

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2. *The deadline by which the next bid must be submitted by bid entry terminals; and*

3. *The schedule for upcoming rounds of the auction; . . .*

This disclosure provides the functionality of a time keeping device to keep bidders electronically informed of timing remaining before auctioning ends. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to specifically disclose said auctioning computer arrangement maintains an official auction clock that keeps bidders electronically informed of timing remaining before auctioning ends, as disclosed by the functionality of Ausubel2, for the motivation of providing a system and process for competitively auctioning financial instruments.

Claims 113, 175, 237: Ausubel does not specifically disclose providing web pages that electronically guide bidders through a bidding process and provide computational assistance in preparing bids and comparing them to a current highest bid. However, Ausubel2 does disclose providing web pages that electronically guide bidders through a bidding process and provide computational assistance in preparing bids and comparing them to a current highest bid (fig. 2a [204, 206]; col. 6 line 11 – col. 7 line 24).

Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to disclose providing web pages that electronically guide bidders through a bidding process and provide computational assistance in preparing bids and comparing them to a current highest bid, as disclosed

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by Ausubel2, for the motivation of providing a system and process for competitively auctioning financial instruments.

Claims 114, 176, 238: Ausubel does not specifically disclose comparing a received bid with a current highest bid, establishing the received bid as the new current highest bid if the comparison reveals the received bid is higher than the current highest bid, and transmitting the new current highest bid in real time to each of said bidders. However, Ausubel2 discloses comparing a received bid with a current highest bid, establishing the received bid as the new current highest bid if the comparison reveals the received bid is higher than the current highest bid, and transmitting the new current highest bid in real time to each of said bidders (col. 28 line 62 – col. 29 line 42). Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to disclose comparing a received bid with a current highest bid, establishing the received bid as the new current highest bid if the comparison reveals the received bid is higher than the current highest bid, and transmitting the new current highest bid in real time to each of said bidders, as disclosed by Ausubel2, for the motivation of providing a system and process for competitively auctioning financial instruments.

Claims 120-122, 182-184, 244-246: Ausubel discloses the auctioning computer arrangement is accessed by a web browser via a web address, provides markup language pages over the Internet in response to said access, said bidding devices use conventional web browsing software to access the auctioning computer system over the Internet, and the auctioning computer arrangement presents each bidder with a series

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of web pages to guide the bidder through the bidding process (col. 7 lines 52-65), as inferred by the functionality of Ausubel in the disclosure. The systems 10-40 are communicatively interconnected via a communication system 50. The communication system 50 can represent any system capable of providing the necessary communication and includes for example a local or wide area network such as for example ethernet, token ring, or alternatively a telephone system, either private or public, the internet, the worldwide web or the information superhighway. Additionally, Ausubel2 discloses the auctioning computer arrangement presents each bidder with a series of web pages to guide the bidder through the bidding process (fig. 2a [204, 206]; col. 6 line 11 – col. 7 line 24). Therefore, it would have been obvious to one skilled in the art to modify the disclosure of Ausubel to specifically disclose the auctioning computer arrangement is accessed by a web browser via a web address, and provides markup language pages over the Internet in response to said access, said bidding devices use conventional web browsing software to access the auctioning computer system over the Internet, and the auctioning computer arrangement presents each bidder with a series of web pages to guide the bidder through the bidding process, as disclosed by the functionality of Ausubel and Ausubel2, for the motivation of providing a system and process for competitively auctioning financial instruments that communicates over networks.

Claims 123, 185, 247: Neither Ausubel nor Ausubel2 specifically disclose executable code generating said web pages resides entirely on the auctioning computer arrangement, and the pages are downloaded to the bidding devices as markup

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language as each page is accessed. However, Ausubel does disclose, at col. 2 line 66

– col. 3 line 15, Thus in accordance with the invention, a dynamic flexible computer-implemented auction system comprises:

- at least two intelligent systems including an auctioneer's and at least one user system, the auctioneer's system communicatively coupled to each user system,

- each user system providing an interface with means for receiving messages from the auctioneer's system and for displaying those messages, means for receiving flexible bid information from a user and for transmitting the flexible bid information to a user database,

- said auctioneer's system providing means for generating and transmitting messages to each user system, means for generating queries for each user database and for receiving answers to the queries from each user database, decision means responsive to the answers from the user database for determining if an auction should continue or not. Therefore, the functionality of Ausubel discloses applicant's claimed invention.

10. Claims 90, 95, 98, 152, 157, 160, 214, 219, and 222 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ausubel (U.S. Patent No. 5,905,975) as applied to claims 65, 127 and 189 above, and further in view of Lawrence (U.S. Patent No. 5,915,209).

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Claims 90, 152, 214: Ausubel does not specifically disclose said computational tool comprises an electronic spreadsheet. However, Lawrence discloses functionality that exhibits spreadsheet characteristics (fig. 7). Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to disclose said computational tool comprises an electronic spreadsheet, as disclosed by Lawrence, for the motivation of providing the user a calculation sheet/scratch pad for performing calculations related to prospective bids.

Claims 95, 98, 157, 160, 219, 222: Ausubel does not specifically disclose sending information over the Internet that enables issuers and financial advisors to view auctioning in progress including winning bids and bidders, nor permitting an auction administrator to create, modify and/or view auctions in progress. However, Lawrence discloses sending information over the Internet that enables issuers and financial advisors to view auctioning in progress including winning bids and bidders, and permitting an auction administrator to create, modify and/or view auctions in progress (fig. 7; fig. 8). Therefore, it would have been obvious to one skilled in the art at the time the invention was made to modify the disclosure of Ausubel to disclose sending information over the Internet that enables issuers and financial advisors to view auctioning in progress including winning bids and bidders and permitting an auction administrator to create, modify and/or view auctions in progress, for the motivation of providing a system and process for competitively auctioning financial instruments.

### ***Conclusion***

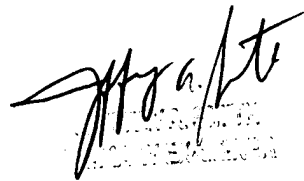
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11. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Forest O. Thompson Jr. whose telephone number is (703) 306-5449. The examiner can normally be reached on 6:30-3:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on (703) 308-1344. The fax phone numbers for the organization where this application or proceeding is assigned are (703) 305-7687 for regular communications and (703) 305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 305-3900.

  
F. Thompson  
December 31, 2002



## **Recent Statutory Changes to 35 U.S.C. § 102(e)**

On November 2, 2002, President Bush signed the 21st Century Department of Justice Appropriations Authorization Act (H.R. 2215) (Pub. L. 107-273, 116 Stat. 1758 (2002)), which further amended 35 U.S.C. § 102(e), as revised by the American Inventors Protection Act of 1999 (AIPA) (Pub. L. 106-113, 113 Stat. 1501 (1999)). The revised provisions in 35 U.S.C. § 102(e) are completely retroactive and effective immediately for all applications being examined or patents being reexamined. Until all of the Office's automated systems are updated to reflect the revised statute, citation to the revised statute in Office actions is provided by this attachment. This attachment also substitutes for any citation of the text of 35 U.S.C. § 102(e), if made, in the attached Office action.

The following is a quotation of the appropriate paragraph of 35 U.S.C. § 102 in view of the AIPA and H.R. 2215 that forms the basis for the rejections under this section made in the attached Office action:

**A person shall be entitled to a patent unless –**

**(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.**

35 U.S.C. § 102(e), as revised by the AIPA and H.R. 2215, applies to all qualifying references, except when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. For such patents, the prior art date is determined under 35 U.S.C. § 102(e) as it existed prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. § 102(e)).

The following is a quotation of the appropriate paragraph of 35 U.S.C. § 102 prior to the amendment by the AIPA that forms the basis for the rejections under this section made in the attached Office action:

**A person shall be entitled to a patent unless –**

**(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.**

For more information on revised 35 U.S.C. § 102(e) visit the USPTO website at [www.uspto.gov](http://www.uspto.gov) or call the Office of Patent Legal Administration at (703) 305-1622.